

PROSPECTUS

2012 Chad Biomass Removal COEUR D'ALENE INDIAN RESERVATION

THIS TIMBER IS NOT SUBJECT TO EXPORT RESTRICTIONS OR SUBSTITUTION LAWS

INTRODUCTION

Coeur d'Alene Tribal Forestry offers for sale by sealed bid, in accordance with 25 CFR 163 an estimated 1540 Green Tons of biomass material in slash piles from the Chadalamalqwn Logging Unit. Bids will be opened at the Coeur d'Alene Tribal Forestry Office, Plummer, Idaho 83851 on June 15, 2012. No bids will be accepted after 10:00AM local time, except as allowable by TERO Ordinance and CDA Resolutions 346(2003) and 279 (2004). Only bids from entities that have a current Coeur d'Alene Tribal Business license will be accepted.

This prospectus is furnished to acquaint you with some of the requirements and features of this Permit. If its wording or meaning disagrees with the Permit, the Permit is final and binding. We urge you to discuss complete permit obligations with the forestry staff at the Coeur d'Alene Tribal Forestry Department in Plummer, Idaho. Arrangements may be made there for examination of the permit area. No guarantee is made of the forest products volume or quality mentioned herein. You are urged to make your own independent estimates to determine your bidding decisions. Each bidder must be prepared to assume full responsibility for the success of the operation under permit terms at the price bid.

BIDDING PROCEDURES

Acceptable bids must be submitted in duplicate, on forms provided, in a sealed envelope marked outside "Proposal for Biomass, 2012 Chad Biomass Removal" and sent to the Superintendent, Coeur d'Alene Agency, P.O. Box 287, Plummer, ID 83851, or hand delivered to the Coeur d'Alene Tribal Forestry Office, 402 Anne Antelope Avenue, Plummer, ID 83851. Each bid must state the price per green ton that will be paid for biomass hauled and scaled. Minimum bid prices for the 2012 Chad Biomass Removal Permit are:

All Species – Biomass (Green Ton)	\$1.00 per GREEN TON
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The slash piles may contain minor amounts of the following products that are not biddable items. These include:

All Species—Pulp and Other Products	\$2.00 per TON
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All Species Sawlogs	\$100.00 per MBF
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Bidders must also submit a completely signed copy of their Tribal Business license to expedite the award process. Indian preference will apply as per TERO Ordinance. Bidders claiming Indian Preference Logging certification must submit verification of Indian Preference Logging Contractor status to be considered for Indian Preference.

PERIOD OF PERMIT

The permit provides that all the piles designated for removal will be hauled and scaled on or before September 30, 2012. All other permit obligations must be completed by October 31, 2012.

LOCATION

The permit area is located near Plummer, Idaho to the east and south. It is accessed by taking US Highway 95 to Plummer, Idaho. From there, Allotments 138B and 366 are accessed by taking State Highway 5 east approximately one-half mile. Allotments 365 and 367 are south of Plummer approximately one-quarter mile off US Highway 95 on the Underpass Road. The sale area is approximately 35 miles south of Coeur d'Alene, Idaho. The entire area is located in Benewah County, Idaho. The following allotments are included:

Allotment 138B: portions of the west half of the southwest quarter of Section 8, Township 46 North, Range 4 containing 2 acres, more or less. 8 slash piles are along roads in the Allotment.

Allotment 365: portions of Lots 1, 2, 3, and 4, in Section 19, Township 46 North, Range 4 West, containing 2 acres, more or less. 11 slash piles are along roads in the Allotment.

Allotment 366: portions of Section 17, Township 46 North, Range 4 West containing 5 acres, more or less. 35 slash piles are along roads in the Allotment.

Allotment 367: portions of Section 30, Township 46 North, Range 4 West and portions of Section 25, Township 46 North, Range 5 West, containing 4 acres, more or less. 15 slash piles are along roads in the Allotment.

Mileage to Area Wood Product Processing Facilities

Stimson Timber Company, Plummer, Idaho	1
Swan Lake, St. Maries, Idaho	35
Clearwater Paper, Lewiston, Idaho	121

BIOMASS VOLUME SUMMARY

Biomass was estimated by ocular estimate of pile size and extrapolating based on previous pile/volume figures from past biomass sales.

Table 1: Estimated volume

Allotment	Estimated Volume (Green Tons)
138B	190
A365	420
A366	550
A367	380
Total	1540

ROAD CONSTRUCTION AND MAINTENANCE

Existing roads can be used to piles on the permit area. Some roads may need to be maintained to provide access for equipment. Roads must be maintained while in use as directed by the Officer in Charge. Road work required of the Permittee is expected to consist primarily of maintaining satisfactory drainage on roads. Construction of cross ditches and removal of any stream crossing material that would impede runoff will be required prior to seasonal shut down of operations or periods of heavy runoff. If warranted, dust abatement measures will be required. At the completion of operations, necessary maintenance and repairs to unsurfaced roads must be completed by the permittee.

OPERATING RESTRICTIONS

Operations may be suspended for such periods as the Officer in Charge may deem necessary to avoid excessive damage when ground conditions are unfavorable

SCALING PROVISIONS

All loads must be weighed on state certified scales before and after load delivery to determine net green weight. For sawlogs, scaling shall be by third party scaling service authorized to scale Indian logs (or by USDA Forest Service scalers at approved sites), except that waste material shall be scaled by Tribal Forestry. Third party scaling by the consuming mill may be authorized by the Approving Officer through approval of a Consumer Scale Authorization and Third Party Scaling Agreement with the consuming mill(s). If the Permittee is the consuming mill, an Addendum to the Consumer Scale Authorization must be approved, requiring that an independent producer (logging sub-contractor) must cut and skid the timber to be scaled and that the basis for payment between the two parties will be based on scale.

DEPOSIT WITH BID

A deposit with bid, in the amount of FIVE HUNDRED DOLLARS AND NO CENTS (\$500.00) in the form of cashier's check, bank draft, Irrevocable Letter of Credit, or postal money order, payable to the Bureau of Indian Affairs, must accompany each sealed bid. The deposit of the apparent high bidder and of others who submit written requests to have their bids considered for acceptance will be retained pending acceptance or rejection of bids. Deposits of the unsuccessful bidders will be returned.

NOXIOUS WEEDS

Operating equipment shall be washed seasonally prior to move-in. Washing shall be sufficient to remove weed seeds from the equipment. The Officer in Charge additionally may require washing of skidding equipment prior to movement to a different location.

UTILIZATION

Biomass piles shall be fully utilized unless they contain excessive soil as mutually agreed to between the Permittee and Officer-in-Charge. Material not chipped for removal will be set aside for hauling separately and paid per permit specifications. Material not removed from the site will be re-piled in a compact, dirt free manner.

PAYMENT FOR TIMBER

The Permittee shall pay for biomass in advance of processing through advance payments and advance deposits in a form acceptable to the Approving Officer. Payments and deposits are due on the date specified in the written requests from the BIA.

ADVANCE PAYMENT

An advanced payment equal to 25% of the permit value is due within 30 days from the date of permit signing and before operations begin. Advance payments shall be credited against the biomass of each ownership in the sale as the biomass is removed, at the permit stumpage rates. Advance payments are not refundable.

Refunds of surplus account balance shall be made to the Permittee upon closure of the sale.

ADVANCE DEPOSIT

The permit requires that biomass will be paid for in advance of being processed. This shall be accomplished by maintaining an account of advance deposits, which the Permittee will pay into at regular intervals during the course of operations to maintain a minimum balance.

After the bid has been accepted by the Approving Officer, a required Log Plan meeting will be held with the Permittee to determine the specifics of the planned biomass operation. The Advance Deposit will then be calculated by multiplying the average volume of the monthly production during the Permittee's usual or average planned season of operations by the bid price for all products of the estimated volume.

PERFORMANCE BOND

A performance bond in the amount of \$500.00, shall be furnished by the Permittee within 30 days of the acceptance of the bid, and shall be retained for the duration of the permit to ensure satisfactory performance by the Permittee. The bond may be in the form of a cashier's check, Irrevocable Letter of Credit, or other form acceptable to the Approving Officer.

TRIBAL EMPLOYMENT RIGHTS ORDINANCE (TERO)

Coeur d'Alene Tribal Forestry operates under an Indian preference labor ordinance. The Tribal Employment Rights Ordinance (TERO) requires that Indian subcontractors be given preference for hiring. Before bidding, prospective bidders should contact the following office to obtain full information regarding qualifications, availability and other requirements for Indian subcontractors to claim TERO preference. All bidders are required to obtain a Coeur d'Alene Tribal Business license prior to submitting a bid. Business licenses can be obtained from the TERO office indicated below. The Permittee and any subcontractors will be required to submit a TERO compliance plan to the TERO director for approval and a copy to Tribal Forestry prior to commencement of operations each season.

Coeur d'Alene Tribal Employment Rights Office (TERO)
P. O. Box 408, 850 A Street
Plummer, ID 83851
Telephone: (208) 686-6107

FINANCIAL STATEMENT

Before officially accepting the bid, the Coeur d'Alene Tribe may require a financial statement from a corporation, partnership, or individual who has not previously purchased timber on the Coeur d'Alene Reservation.

CONCLUSION

Additional Information may be obtained from Kurt Mettler at the Coeur d'Alene Tribe Forestry Department, P. O. Box 408, Plummer, ID 83851 at (208) 686-1315. Prospectus, sample permit, and bid forms may be obtained by contacting the Forestry office or online from the Tribal website under natural resources/forestry at www.cdatribe-nsn.gov.

Vicinity Map --2012 Chad Biomass Project

